

2007 DRAFTING REQUEST

Bill

Received: **11/27/2006**

Received By: **rryan**

Wanted: **As time permits**

Identical to LRB:

For: **David Hansen (608) 266-5670**

By/Representing: **Eric Genrich**

This file may be shown to any legislator: **NO**

Drafter: **rryan**

May Contact:

Addl. Drafters:

Subject: **Health - medical assistance**

Extra Copies: **DAK**

Submit via email: **YES**

Requester's email: **Sen.Hansen@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Eligibility for Senior Care

Instructions:

Redraft 05 SB 235

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|--|--|------------------------|----------------|-----------------------|----------------------|-----------------|
| /? | rryan 11/30/2006 rryan 12/04/2006 | wjackson 11/30/2006 kfollett 01/05/2007 | | | | | State |
| /1 | rryan 01/18/2007 | kfollett 01/18/2007 | jfrantze 01/05/2007 | | mbarman 01/05/2007 | | State |
| /2 | | | jfrantze 01/19/2007 | | cdurst 01/19/2007 | cdurst 02/13/2007 | |

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For: "12" @ intro.
2-27-2007

<END>

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| /? | rryan 11/30/2006 rryan 12/04/2006 | wjackson 11/30/2006 kfollett 01/05/2007 | | _____ _____ _____ _____ | | | State |
| /1 | rryan 01/18/2007 | kfollett 01/18/2007 | jfrantze 01/05/2007 | _____ _____ | mbarman 01/05/2007 | | State |
| /2 | | | jfrantze 01/19/2007 | _____ _____ | cduerst 01/19/2007 | | |

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

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<END>

2007 DRAFTING REQUEST**Bill**Received: **11/27/2006**Received By: **rryan**Wanted: **As time permits**

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For: **David Hansen (608) 266-5670**By/Representing: **Eric Genrich**This file may be shown to any legislator: **NO**Drafter: **rryan**

May Contact:

Addl. Drafters:

Subject: **Health - medical assistance**Extra Copies: **DAK**Submit via email: **YES**Requester's email: **Sen.Hansen@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:Eligibility for *Senior Care*
badger care**Instructions:**

Redraft 05 SB 235

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| /? | rryan | wjackson | | | | | State |
| | 11/30/2006 | 11/30/2006 | | | | | |
| | rryan | kfollett | | | | | |
| | 12/04/2006 | 01/05/2007 | | | | | |

| | | | | | | | |
|----|--|----------------|------------------------|--|-----------------------|--|--|
| /1 | | 12 kjf 1/18 | jfrantze 01/05/2007 | | mbarman 01/05/2007 | | |
|----|--|----------------|------------------------|--|-----------------------|--|--|

FE Sent For:

1/19 *1/19*

2007 DRAFTING REQUEST

Bill

Received: 11/27/2006

Received By: rryan

Wanted: As time permits

Identical to LRB:

For: David Hansen (608) 266-5670

By/Representing: Eric Genrich

This file may be shown to any legislator: NO

Drafter: rryan

May Contact:

Addl. Drafters:

Subject: Health - medical assistance

Extra Copies: DAK

Submit via email: YES

Requester's email: Sen.Hansen@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Eligibility for badger care

Instructions:

Redraft 05 SB 235

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
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| /? | rryan | 11/15 | 11/15 | 11/15 | 11/15 | | |
|----|-------|-------|-------|-------|-------|--|--|

FE Sent For:

<END>

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

LRB-0895

Call to Eric 11/30/06

Want to add requirement that
DHFS seek waiver amendment &
make implementation contingent
upon approval of waiver amend.
request - this is suggested in
Dept's fiscal estimate for 2005 SB 235

Yes

1/5

cm H

089511

CORRECTED COPY

2005 - 2006 LEGISLATURE

LRB-2512/1

RLR:kjf:hg

In 12/4/06

2005 SENATE BILL 235

RM/R

P-N

June 8, 2005 - Introduced by Senators HANSEN, ERPENBACH, BRESKE, CARPENTER, COGGS, LASSA, TAYLOR and WIRCH, cosponsored by Representatives SHILLING, KRUSICK, BENEDICT, BERCEAU, BLACK, BOYLE, FIELDS, GRIGSBY, GRONEMUS, LEHMAN, MOLEPSKE, NELSON, POCAN, RICHARDS, SEIDEL, SHERIDAN, SINICKI, STASKUNAS, TRAVIS, TURNER and VRUWINK. Referred to Committee on Health, Children, Families, Aging and Long Term Care.

Regen

INS RC

- 1 AN ACT to create 49.688 (4r) of the statutes; relating to: treating property taxes
- 2 as a deduction to annual household income for purposes of determining
- 3 eligibility and deductible amounts under the prescription drug assistance
- 4 program for the elderly.

Analysis by the Legislative Reference Bureau

Under current law, elderly persons may purchase prescription drugs at reduced amounts under a program commonly known as "Senior Care." A person is eligible for Senior Care if he or she is a state resident, is at least 65 years of age, is not a medical assistance (MA) recipient or does not receive prescription drug coverage as an MA recipient, and his or her annual household income, as determined by the Department of Health and Family Services (DHFS), does not exceed 240 percent of the federal poverty line. A person must pay an annual \$30 fee to enroll in Senior Care. An enrollee pays the "program payment rate" for prescription drugs (105 percent of the MA prescription drug payment rate plus a dispensing fee) until the enrollee has met an annual deductible, if applicable, and thereafter pays only a copayment of \$5 for generic prescription drugs and a copayment of \$15 for nongeneric prescription drugs. A person whose annual household income is 160 percent or less of the federal poverty line pays no deductible; if the person's annual household income is more than 160 percent but not more than 200 percent of the federal poverty line, the deductible is \$500; and if the person's annual household income exceeds 200 percent of the federal poverty line, the deductible is \$850. Other persons who meet all of the requirements except the income limitation are also eligible to purchase

1

SENATE BILL 235

prescription drugs for the \$5 and \$15 copayment amounts for the time remaining in a 12-month period after spending the difference between their annual household income and 240 percent of the federal poverty line by paying for prescription drugs at the retail price and satisfying the \$850 deductible by purchasing prescription drugs at the program payment rate.

INS A → This bill requires that in determining a person's annual household income for purposes of Senior Care eligibility, DHFS must deduct the amount that the person paid in property taxes on his or her primary residence in the previous 12 months. DHFS must also use the annual household income adjusted for property taxes to determine the appropriate deductible amount for persons who are enrolled in Senior Care.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

INS B →
1 **SECTION 1.** 49.688 (4r) of the statutes is created to read:

2 49.688 (4r) In determining a person's annual household income under sub. (2)

3 (a) 4. and (b) for purposes of determining eligibility for prescription drug assistance
4 and under sub. (3) (b) 1. and 2. a. for purposes of establishing the required deductible
5 amount, the department shall deduct the amount of property taxes that the person
6 or any member of his or her household paid on the person's primary residence in the
7 12-month period before the department makes an eligibility determination under
8 sub. (4).

9 **SECTION 2. Initial applicability.**

10 (1) This act first applies to eligibility determinations made and deductible
11 amounts paid on the effective date of this subsection.

12 **SECTION 3. Effective date.**

13 (1) This act takes effect on the first day of the 2nd month beginning after
14 publication.

15 (END)

D-Note

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0895/lins
RLR:.....

Ins RC:

not eligibility for and deductible amounts under the prescription drug assistance program for the elderly, providing an exemption from emergency rule procedures, and requiring the exercise of rule-making authority.

Ins A:

The U.S. Department of Health and Family Services granted DHFS a Medicaid waiver that allows DHFS to use federal Medicaid dollars to partially fund Senior Care.

This bill directs DHFS to seek an amendment to the federal Medicaid waiver for Senior Care that would allow DHFS to deduct the amount of property taxes that a person is assessed on his or her principal dwelling when calculating the person's household income for purposes of determining eligibility for and the deductible amount under Senior Care. The bill requires DHFS to implement the waiver amendment if the U.S. Department of Health and Human Services approves it.

Ins B:

SECTION 1. 49.688 (4) of the statutes is renumbered 49.688 (4) (a) and amended to read:

49.688 (4) (a) The department shall devise and distribute a form for application for the program under sub. (2), shall determine eligibility for each 12-month benefit period of applicants and shall issue to eligible persons a prescription drug card for use in purchasing prescription drugs, as specified in sub. (5).

(b) 1. The department shall promulgate rules that specify the criteria to be used to determine household income under sub. (2) (a) 4. and (b) and (3) (b) 1. and 2.

History: 2001 a. 16, 109; 2003 a. 33.

SECTION 2. 49.688 (4) (b) 2. of the statutes is created to read:

1 49.688 (4) (b) 2. The rules under subd. 1. shall require that when determining
2 a person's household income the department deduct any amount that the person, or
3 any member of his or her household, is assessed in property taxes on the person's
4 principal dwelling for the calendar year in which the determination of household
5 income is made.

6 **SECTION 3.** 49.688 (4) (b) 3. of the statutes is created to read:

7 49.688 (4) (b) 3. Subdivision 2. does not apply unless the waiver amendment
8 requested by the department under sub. (11) (b) is approved by the U.S. secretary of
9 health and human services.

10 **SECTION 4.** 49.688 (11) of the statutes is renumbered 49.688 (11) (a) and
11 amended to read:

12 49.688 (11) (a) The department shall request from the federal U.S. secretary
13 of health and human services a waiver, under 42 USC 1315 (a), of federal medicaid
14 laws necessary to permit the department of health and family services to conduct a
15 project, under all of the requirements of this section, to expand eligibility for medical
16 assistance, for purposes of receipt of prescription drugs as a benefit, to include
17 individuals who are eligible under sub. (2). The department may implement a waiver
18 requested under this subsection only if the conditions of the waiver are consistent
19 with the requirements of this section.

20 (c) The Except as provided in sub. (4) (b) 3., the department shall implement
21 the program under this section regardless of whether a waiver, as specified in this
22 subsection, is received.

History: 2001 a. 16, 109; 2003 a. 33.

23 **SECTION 5.** 49.688 (11) (b) of the statutes is created to read:

1 49.688 (11) (b) By the first day of the 4th month beginning after the effective
2 date of this paragraph... [revisor inserts date], the department of health and family
3 services shall request from the U.S. Secretary of Health and Human Services an
4 amendment to the waiver received under par. (a) that allows the department of
5 health and family services to implement the requirement under sub. (4) (b) 2.

6 **SECTION 6. Nonstatutory provisions.**

7 (1) EMERGENCY RULES. If the U.S. secretary of health and human services
8 approves a request for a waiver amendment that is submitted under section 49.688
9 (11) (b) of the statutes, as created by this act, the department of health and family
10 services shall, using the procedure under section 227.24 of the statutes, promulgate
11 the rule required under section 49.688 (4) (b) 2. of the statutes, as created by this act,
12 for the period before the effective date of the permanent rule promulgated under
13 section 49.688 (4) (b) 2. of the statutes, as created by this act, but not to exceed the
14 period authorized under section 227.24 (1) (c) and (2) of the statutes.
15 Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department
16 is not required to provide evidence that promulgating a rule under this subsection
17 as an emergency rule is necessary for the preservation of the public peace, health,
18 safety, or welfare and is not required to provide a finding of emergency for a rule
19 promulgated under this subsection.

20 **SECTION 7. Initial applicability.**

21 (1) This act first applies to program eligibility determinations and
22 determinations of deductible amounts that are made on the first day of the 4th month
23 beginning after the secretary of the U.S. department of health and human services
24 approves a request for a waiver amendment that is submitted under section 49.688
25 (11) (b) of the statutes, as created by this act.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0895/1dn

RLR...

gjf

Date

Eric Genrich:

✓
As we discussed, this redraft of 2005 Senate Bill 235 requires DHFS to seek an amendment to the federal Medicaid waiver for Senior Care, and requires DHFS to implement the deduction for property taxes only if the waiver amendment is approved. The bill gives DHFS three months to submit a request for a waiver amendment, and also gives DHFS three months to implement the amendment if it is approved.

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0895/1dn
RLR:kjf:jf

January 5, 2007

Eric Genrich:

As we discussed, this redraft of 2005 Senate Bill 235 requires DHFS to seek an amendment to the federal Medicaid waiver for Senior Care, and requires DHFS to implement the deduction for property taxes only if the waiver amendment is approved. The bill gives DHFS three months to submit a request for a waiver amendment, and also gives DHFS three months to implement the amendment if it is approved.

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0895/2dn

RLR: *kgf*

Date

Eric:

I redrafted this bill to make a technical correction in one of the action phrases.

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov



State of Wisconsin
2007 - 2008 LEGISLATURE

2
LRB-0895/1

RLR:kjf/jf

In 1/18/07

2007 BILL

CPS:
Change on
request
sheet pls.
OK

RMNR

Regn

- 1 AN ACT *to renumber and amend* 49.688 (4) and 49.688 (11); and *to create*
2 49.688 (4) (b) 2., 49.688 (4) (b) 3. and 49.688 (11) (b) of the statutes; **relating**
3 **to:** eligibility for and deductible amounts under the prescription drug
4 assistance program for the elderly, providing an exemption from emergency
5 rule procedures, and requiring the exercise of rule-making authority.

Analysis by the Legislative Reference Bureau

Under current law, elderly persons may purchase prescription drugs at reduced amounts under a program commonly known as "Senior Care." A person is eligible for Senior Care if he or she is a state resident, is at least 65 years of age, is not a medical assistance (MA) recipient or does not receive prescription drug coverage as an MA recipient, and his or her annual household income, as determined by the Department of Health and Family Services (DHFS), does not exceed 240 percent of the federal poverty line. A person must pay an annual \$30 fee to enroll in Senior Care. An enrollee pays the "program payment rate" for prescription drugs (105 percent of the MA prescription drug payment rate plus a dispensing fee) until the enrollee has met an annual deductible, if applicable, and thereafter pays only a copayment of \$5 for generic prescription drugs and a copayment of \$15 for nongeneric prescription drugs. A person whose annual household income is 160 percent or less of the federal poverty line pays no deductible; if the person's annual household income is more than 160 percent but not more than 200 percent of the federal poverty line, the deductible is \$500; and if the person's annual household income exceeds 200 percent of the federal poverty line, the deductible is \$850.

BILL

Other persons who meet all of the requirements except the income limitation are also eligible to purchase prescription drugs for the \$5 and \$15 copayment amounts for the time remaining in a 12-month period after spending the difference between their annual household income and 240 percent of the federal poverty line by paying for prescription drugs at the retail price and satisfying the \$850 deductible by purchasing prescription drugs at the program payment rate.

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This bill directs DHFS to seek an amendment to the federal Medicaid waiver for Senior Care that would allow DHFS to deduct the amount of property taxes that a person is assessed on his or her principal dwelling when calculating the person's household income for purposes of determining eligibility for and the deductible amount under Senior Care. The bill requires DHFS to implement the waiver amendment if the U.S. Department of Health and Human Services approves it.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

change component

1 SECTION 1. 49.688 (4) of the statutes is ~~renumbered 49.688 (4) (a) and~~ amended
2 to read:

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4 for the program under sub. (2), shall determine eligibility for each 12-month benefit
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6 use in purchasing prescription drugs, as specified in sub. (5).

7 (b) 1. The department shall promulgate rules that specify the criteria to be used
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9 SECTION 2. 49.688 (4) (b) 2. of the statutes is created to read:

10 49.688 (4) (b) 2. The rules under subd. 1. shall require that when determining
11 a person's household income the department deduct any amount that the person, or
12 any member of his or her household, is assessed in property taxes on the person's

BILL

1 principal dwelling for the calendar year in which the determination of household
2 income is made.

3 **SECTION 3.** 49.688 (4) (b) 3. of the statutes is created to read:

4 49.688 (4) (b) 3. Subdivision 2. does not apply unless the waiver amendment
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9 49.688 (11) (a) The department shall request from the federal U.S. secretary
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11 laws necessary to permit the department of health and family services to conduct a
12 project, under all of the requirements of this section, to expand eligibility for medical
13 assistance, for purposes of receipt of prescription drugs as a benefit, to include
14 individuals who are eligible under sub. (2). The department may implement a waiver
15 requested under this subsection only if the conditions of the waiver are consistent
16 with the requirements of this section.

17 (c) The Except as provided in sub. (4) (b) 3., the department shall implement
18 the program under this section regardless of whether a waiver, as specified in this
19 subsection, is received.

20 **SECTION 5.** 49.688 (11) (b) of the statutes is created to read:

21 49.688 (11) (b) By the first day of the 4th month beginning after the effective
22 date of this paragraph [revisor inserts date], the department of health and family
23 services shall request from the U.S. secretary of health and human services an
24 amendment to the waiver received under par. (a) that allows the department of
25 health and family services to implement the requirement under sub. (4) (b) 2.

BILL**SECTION 6****SECTION 6. Nonstatutory provisions.**

(1) EMERGENCY RULES. If the U.S. secretary of health and human services approves a request for a waiver amendment that is submitted under section 49.688 (11) (b) of the statutes, as created by this act, the department of health and family services shall, using the procedure under section 227.24 of the statutes, promulgate the rule required under section 49.688 (4) (b) 2. of the statutes, as created by this act, for the period before the effective date of the permanent rule promulgated under section 49.688 (4) (b) 2. of the statutes, as created by this act, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection.

SECTION 7. Initial applicability.

(1) This act first applies to program eligibility determinations and determinations of deductible amounts that are made on the first day of the 4th month beginning after the secretary of the U.S. department of health and human services approves a request for a waiver amendment that is submitted under section 49.688 (11) (b) of the statutes, as created by this act.

(END)

D-Note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0895/2dn
RLR:kjf:jf

January 19, 2007

Eric:

I redrafted this bill to make a technical correction in one of the action phrases.

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

Duerst, Christina

From: Genrich, Eric
Sent: Tuesday, February 13, 2007 9:35 AM
To: LRB.Legal
Subject: Draft Review: LRB 07-0895/2 Topic: Eligibility for Senior Care

Please Jacket LRB 07-0895/2 for the SENATE.